

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AUTHORIZING NEGOTIATION AND EXECUTION OF A COST REIMBURSEMENT AGREEMENT WITH UNION ASSOCIATES, LTD., FOR CONSTRUCTION OF WATER MAINS AND APPURTENANCES FOR THE FOX HILL SUBDIVISION; AND WAIVING CERTAIN REQUIREMENTS OF SECTIONS 25-9-61, 25-9-63, AND 25-9-67 OF THE CITY CODE, AND ORDINANCE NO. 20070910-008.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

**PART 1.** This ordinance applies to an application for cost reimbursement under City Code Chapter 25-9, Article 1, Division 2, Subpart B (*Cost Reimbursement and Cost Participation*) by Union Associates, Ltd., for construction of 24 and 42-inch water mains and appurtenances described in Service Extension Request No. 2542 serving the Fox Hill Subdivision located east of South IH-35, south of Onion Creek and west of Bradshaw Road.

**PART 2.** The council authorizes the city manager to negotiate and execute a cost reimbursement agreement with Union Associates, Ltd., in accordance with the following requirements:

- (A) Total cost reimbursement may not exceed \$9,749,485.
- (B) Total cost reimbursement for the 42-inch water main may not exceed \$6,753,016.
  - (1) Cost reimbursement for actual construction costs for the 42-inch water main may not exceed \$5,872,188.
  - (2) Cost reimbursement for engineering, design and project management for the 42-inch water main may not exceed the lesser of:
    - (a) 15 percent of the actual construction costs; or
    - (b) \$880,828.
- (C) Total cost reimbursement for the 24-inch water main may not exceed \$2,996,469 for actual construction costs.
- (D) Union Associates, Ltd., will bear all costs for engineering, design, financing, interest, fiscal security, accounting, insurance, inspections,

permitting, project management, easement acquisition and legal services associated with the construction of the 24-inch water main.

**PART 3.** The council waives:

- (A) the requirement of Section 25-9-61 (*Eligible Projects*) of the City Code prescribing the amount of cost reimbursement;
- (B) the requirement of Section 25-9-63 (*Amount of Cost Reimbursement*) of the City Code that cost reimbursement be limited to actual construction costs and limiting cost reimbursement to the amount prescribed in Section 25-9-61 (*Eligible Projects*);
- (C) the requirement of Section 25-9-67 (*Cost Participation and Cost Reimbursement Payment*) relating to the schedule for cost reimbursement payments; and
- (D) the requirement of Ordinance 20070910-008 relating to construction, inspection and review fees associated with the proposed 42-inch water main and appurtenances in an amount not to exceed \$200,000.

**PART 4.** This ordinance takes effect on \_\_\_\_\_, 2008.

# PASSED AND APPROVED

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\_\_\_\_\_, 2008

Will Wynn  
Mayor

**APPROVED:** \_\_\_\_\_  
David Allan Smith  
City Attorney

**ATTEST:** \_\_\_\_\_  
Shirley A. Gentry  
City Clerk